GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2625
ANSWERED ON:18.08.2006
COMPENSATION TO BLAST VICTIMS
Gadakh Shri Tukaram Gangadhar;Tripathy Shri Braja Kishore

Will the Minister of FINANCE be pleased to state:

(a) Whether compensation has been paid to victims of Mumbai blast;

(b) If so, the details thereof;

(c) Whether the Government has exempted the compensation paid to victims of Mumbai blast from payment of income tax;

(d) If so, the details in this regard; and

(e) The details of provisions of such relief provided to various other types of calamities in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM)

(a)&(b): The Ministry of Railways and Government of Maharashtra have announced the following ex-gratia payments in regard to victims of bomb blasts in suburban trains in Mumbai on 11.7.2006 :

(in Rs./-)

	In the case of death	In the case of major injury	In the case of minor injury
Ministry of Railways	5,00,000	50,000	10,000
Government of Maharashtra	1,00,000	50,000	5,000

(c) & (d): In the wake of representations received on the matter, a press release was issued by the Government on 04.08.2006 wherein it was conveyed that amounts received or receivable by an individual or by the spouse or legal heirs of an individual, from the Central Government or any State Government or any local authority, by way of compensation on account of any disaster, shall not be subjected to tax. It was further stated therein that disaster for this purpose will have the same meaning as assigned to it under The Disaster Management Act, 2005 and that necessary amendments to the Income-tax Act, 1961 will be made at the appropriate time.

(e): Under section 10(10BB) of the Income Tax Act, 1961, any payments made under the Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 and any scheme framed thereunder, except payment made to any assessee in connection with the said disaster, to the extent he has been allowed a deduction under the Act on account of any loss or damage caused to him by such disaster, shall not be included in total income